

## ***Highlights***

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### **Growth in CMS programs and health expenditures**

#### **Populations**

- Persons enrolled for Medicare coverage increased from 19.1 million in 1966 to a projected 43.1 million in 2006, a 126 percent increase.
- On average, the number of Medicaid enrollees in 2006 is estimated to be about 49.3 million, the largest group being children (23.9 million or 48.5 percent).
- In 2003, 19.0 percent of the population was at some point enrolled in the Medicaid program.
- Medicare enrollees with end-stage renal disease increased from 66.7 thousand in 1980 to 371.2 thousand in 2005, an increase of 457 percent.
- Medicare State buy-ins have grown from about 2.8 million beneficiaries in 1975 to 6.8 million beneficiaries in 2005, an increase of about 141 percent.

- About 7.2 million persons on average were dually eligible for both Medicare and Medicaid in FY 2002.

#### **Providers/Suppliers**

- The number of inpatient hospital facilities decreased from 6,770 in December 1975 to 6,180 in December 2005. Total inpatient hospital beds have dropped from 46.5 beds per 1,000 enrolled in 1975 to 22.5 in 2005, a decrease of 52 percent.
- The total number of Medicare certified beds in short-stay hospitals showed a steady increase from less than 800,000 at the beginning of the program and peaked at 1,025,000 in 1984-86. Since that time, the number has dropped to about 812,000. (NOTE: This includes a reclassification of some short-stay hospitals as critical access hospitals. There were about 28,000 critical access hospital beds in 2005.)
- The number of skilled nursing facilities (SNFs) increased rapidly during the 1960s, decreased during the first half of the 1970s, generally increased thereafter to over 15,000 in the late 1990's, and remains currently at this level.
- The number of participating home health agencies has fluctuated considerably over the years, almost doubling in number from 1990 to almost 11,000 in 1997, when the Balanced Budget Act was passed. The number decreased sharply but has since stabilized, reaching 8,090 in 2005.

### **Expenditures**

- National health expenditures (NHE) were \$1,877.6 billion in 2004, comprising 16.0 percent of the gross domestic product (GDP). Comparably, NHE amounted to \$1,678.9 billion, or 15.3 percent of the GDP in 2003.
- In 2005, total net Federal outlays for CMS programs were \$485.9 billion, 19.7 percent of the Federal budget.
- Medicare skilled nursing facility benefit payments increased slightly from \$17.0 billion in 2005 to \$17.6 billion in 2006.
- Medicare home health agency benefit payments increased slightly between 2005 and 2006 from \$12.5 billion to \$12.6 billion.
- National health expenditures per person were \$205 in 1965 and grew steadily to reach \$6,280 by 2004.

### **Utilization of Medicare and Medicaid services**

- Between 1990 and 2004, the number of short-stay hospital discharges increased from 10.5 million to 13.0 million, an increase of 24 percent.
- The short-stay hospital average length of stay decreased significantly from 9.0 days in 1990 to 5.8 days in 2004, a decrease of 36 percent. Likewise, the average length of stay for excluded units decreased significantly from 19.5 days in 1990 to 11.5 days in 2004, a decrease of 41 percent.
- About 32.6 million persons received a reimbursed service under Medicare fee-for-service during 2003.

Comparably, almost 52 million persons used Medicaid services or had a premium paid on their behalf in 2003.

- The ratio of Medicare aged users of any type of covered service has grown from 367 per 1,000 enrolled in 1967 to 920 per 1,000 enrolled in 2003.
- 7.5 million persons received reimbursable fee-for-service inpatient hospital services under Medicare in 2003.
- 31.8 million persons received reimbursable fee-for-service physician services under Medicare during 2003. 22.9 million persons received reimbursable physician services under Medicaid during 2003.
- 23.6 million persons received reimbursable fee-for-service outpatient hospital services under Medicare during 2003. During 2003, 15.5 million persons received Medicaid reimbursable outpatient hospital services.
- Nearly 1.7 million persons received care in SNFs covered by Medicare during 2003. 1.7 million persons received care in nursing facilities, which include SNFs and all other nursing facilities other than mentally retarded, covered by Medicaid during 2003.
- 26.1 million persons received prescribed drugs under Medicaid during 2003.